



Pep Boys Declares Quarterly Dividend - Renews Share Repurchase Program -

PHILADELPHIA – September 7, 2006 – The Pep Boys – Manny, Moe & Jack (NYSE: “PBY”), the nation’s leading automotive aftermarket retail and service chain, announced that its Board of Directors approved the payment of the next quarterly dividend of \$.0675 per share payable on October 23, 2006 to shareholders of record on October 9, 2006. The annual dividend of \$.27 per share currently yields approximately 2.1%.

The Board of Directors also approved the renewal of its share repurchase program, which had approximately \$45,000,000 of its original \$100,000,000 authorization remaining and was set to expire on September 30, 2006. The Company has not made any share repurchases during fiscal 2006. Under the renewed program, the Board reset the authority back to \$100,000,000 for repurchases to be made from time to time in the open market or in privately negotiated transactions through September 30, 2007.

About Pep Boys

Pep Boys has 593 stores and over 6,000 service bays in 36 states and Puerto Rico. Along with its vehicle repair and maintenance capabilities, the company also serves the commercial auto parts delivery market and is one of the leading sellers of replacement tires in the United States. Customers can find the nearest location by calling 1-800-PEP-BOYS or by visiting pepboys.com.

Certain statements contained herein constitute "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. The word "guidance," "expect," "anticipate," "estimates," "forecasts" and similar expressions are intended to identify such forward-looking statements. Forward-looking statements include management's expectations regarding future financial performance, automotive aftermarket trends, levels of competition, business development activities, future capital expenditures, financing sources and availability and the effects of regulation and litigation. Although the Company believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be achieved. The Company's actual results may differ materially from the results discussed in the forward-looking statements due to factors beyond the control of the Company, including the strength of the national and regional economies, retail and commercial consumers' ability to spend, the health of the various sectors of the automotive aftermarket, the weather in geographical regions with a high concentration of the Company's stores, competitive pricing, the location and number of competitors' stores, product and labor costs and the additional factors described in the Company's filings with the SEC. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

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